

**MINUTES of the
DELAWARE ECONOMIC & FINANCIAL ADVISORY COUNCIL**

Buena Vista – December 16, 2013

Attendance:

Member	Present
S. Bhatt	No
J. Bullock	Yes
L. Davis Burnham	No
R. Byrd	Yes
J. Casey	Yes
N. Cook	Yes
T. Cook	Yes
R. Davis	Yes
J. DiPinto	No
F. Dixon	Yes
B. Fasy	Yes
C. Flowers	Yes
R. Glen	Yes
G. Hindes	Yes
J. Horthy	No
D. Hudson	No
A. Levin	Yes

Member	Present
K. Lewis	Yes
D. Link	No
A. Lubin	Yes
G. Marcozzi	Yes
J. Martin	Yes
C. Morgan	Yes
M. Morton	Yes
J. Polidori	No
E. Ratledge	Yes
T. Shopa	Yes
G. Simpson	Yes
M. George Smith	Yes
A. Staton	Yes
D. Swayze	No
J. Twilley	Yes
A. Visalli	Yes

Members in Attendance: 25

Members Absent: 8

Others Present: A. Aka, Rep. Baumbach, M. Brennan, K. Callahan, H. Curran, K. Dwyer, J. Eisenbrey, D. Gregor, C. Heiks, P. Jackson, B. Maxwell, L. McFaul, S. McVay, A. Moffett-Batty, B. Motyl, M. Pellowski, A. Penney, B. Scoglietti, S. Scola, C. Stewart and members of the press.

Opening Business: Mr. Martin called the meeting to order at 3:00 p.m.

The minutes from the September meeting were approved as submitted.

Expenditure Subcommittee:

Mr. Ratledge presented the Expenditure Subcommittee's report.

In his review of the Balance Sheet estimate, Mr. Ratledge noted that the estimate for Reversions was raised by \$40.0 million. The increase was partially offset by a \$26.6 million decrease in the Continuing estimate. December's Expenditure estimate—which is found by subtracting Reversions, Continuing and Encumbered estimates from the FY2014 Spending Authority of \$4,100.2 million—stands at \$3,794.5 million. Mr. Ratledge noted that the Expenditure estimate amounted to 92.5% of the Spending Authority (See Table 1a for complete details).

Mr. Ratledge reviewed the Function Sheet estimate. He reported that the estimates for Salary, Fringe Benefits, Pension, Grants, Debt Service, Supplies and Materials, and Capital Outlay were unchanged from September. He noted an increase in public school enrollment, with most students coming from private schools. Mr. Ratledge reported that the estimate for Medicaid was down to \$672.8 million, from \$675.7 million in September. The change can be attributed to an internal adjustment from the Department of Health and Social Services. Likewise, the estimate for Contractual Services was revised down from September (See Table 1b for complete details).

A motion was made, seconded and approved to accept \$3,794.5 million as the expenditure estimate for FY2014. This represents a \$136 million or 3.72% increase over FY2013 expenditures.

Revenue Subcommittee:

Mr. Lewis presented the Revenue Subcommittee's report.

Economic Outlook

Mr. Aka reviewed the IHS Global Insight's U.S. macroeconomic forecast. He noted that the outlook for most U.S. series was little changed from September. Most series' growth rates are expected to accelerate gradually over the next few years, reflecting a positive outlook for the national economy. Because it expects the Federal Reserve to end its quantitative easing (QE) program in CY2014, IHS forecasts a sharp deceleration in the S&P 500 growth rate during FY2015.

Mr. Aka also presented the economic forecast for Delaware. He reported that FY2013 employment growth turned out to be lower than estimated in September, which led to a revision in the employment growth rates for the current and upcoming fiscal years. He pointed out that the outlook for Delaware economy remains positive, with strong job gains expected in the short and medium terms. He noted that both Wages and Salaries and

Personal Income series have been revised by the Bureau of Economic Analysis, which explains why their FY2013 growth figures reported in September and December differ.

Finally, Mr. Aka presented a special topic that dealt with the trends in full-time and part-time employment in the U.S. and Delaware. He noted that for both U.S. and Delaware, part-time employment for noneconomic reasons is high and stable. Meanwhile, part-time employment for economic reasons has exhibited the same behavior in both U.S. and Delaware.

Mr. Dixon concurred that the medium term outlook for the national economy is positive. He noted that leading indicators—as measured by the stock market, housing market, ISM index and yield curve—are all positive. Mr. Dixon mentioned that an area of concern has to do with the large balance sheet of the Federal Reserve, which could have an adverse impact on the economy in the long term.

In response to a question from Mr. Flowers, Mr. Dixon said that the stock market remains a valid leading indicator for the economy, as market participants are beginning to look beyond the tapering of the Federal Reserve's QE program and focus on economic news.

General Fund Revenues - Fiscal Year 2014:

The Revenue Subcommittee recommended the following updates to September's estimates:

Revenue Category	Sep-13	Dec-13	Change
Corporation Income Tax	249.0	239.0	(10.0)
Franchise Tax	599.5	608.6	9.1
Other Refunds	(39.8)	(45.8)	(6.0)
Realty Transfer Tax	58.3	63.0	4.7
PIT Refunds	(196.2)	(200.2)	(4.0)
Personal Income Tax	1,368.7	1,372.7	4.0
Lottery	227.1	224.1	(3.0)
Corporate Fees	92.5	94.3	1.8
Gross Receipts Tax	233.6	232.0	(1.6)
Limited Partnerships & LLC's	188.9	190.3	1.4
Bank Franchise Tax	103.9	102.7	(1.2)
Franchise Tax Refunds	(11.0)	(10.0)	1.0
Other Revenues	91.9	92.4	0.5
Cigarette Taxes	112.0	112.5	0.5
Uniform Commercial Code	17.2	17.4	0.2

For a complete listing of FY 2014 estimates, see Table 2.

Discussion of FY 2014 Estimates:

Personal Income Tax: Mr. Lewis stated that, on a net basis, the estimate was unchanged from September; however he noted a reallocation of revenues among categories.

Franchise Tax: Mr. Lewis said that the increase in the estimate reflected strength in the IPO market. Growth in the Franchise Tax estimate has turned positive, for the first time since 2008.

Corporate Income Tax: Mr. Lewis stated that the decrease in the estimate was due to tracking, refund claims and audits.

Bank Franchise Tax: Mr. Lewis said that the decrease in the estimate was due to a bank's acquisition of a Historic Preservation tax credit.

Gross Receipts Tax: Mr. Lewis said that the decrease in the estimate was due to tracking, impact of a tax cut, and collections enforcement.

Cigarette Tax: Mr. Lewis stated that the increase in the estimate was due to one-time audit.

Other Refunds: Mr. Lewis said that the rise in the estimate was due to an increase in the refunds for Abandoned Property.

Other changes were attributed to tracking.

FY 2014 Estimate Adopted:

A motion was made, seconded and approved to accept the Revenue Subcommittee's recommendation of \$3,729.8 million as the revenue estimate for FY2014.

The estimate represents a \$2.6 million decrease from DEFAC's September estimate.

General Fund Revenues - Fiscal Year 2015:

The Revenue Subcommittee recommended the following updates to September's estimates:

Revenue Category	Sep-13	Dec-13	Change
Corporation Income Tax	208.2	198.2	(10.0)
Franchise Tax	593.5	602.5	9.0
Realty Transfer Tax	54.8	61.0	6.2
Personal Income Tax	1,430.4	1,434.4	4.0
PIT Refunds	(206.0)	(210.0)	(4.0)
Lottery	227.8	224.8	(3.0)
Corporate Fees	95.3	97.1	1.8
Gross Receipts Tax	238.2	236.6	(1.6)
Limited Partnerships & LLC's	198.4	199.9	1.5
Franchise Tax Refunds	(11.0)	(10.0)	1.0
Other Revenues	98.1	98.7	0.6
Uniform Commercial Code	17.6	17.8	0.2

For a complete listing of FY 2015 estimates, see Table 2.

Discussion of FY 2015 Estimates:

Personal Income Tax: Mr. Lewis said that the estimate for net PIT was unchanged from September.

Corporate Income Tax: Mr. Lewis stated that the decrease in the estimate was due to carrying forward of changes made in FY2014.

Mr. Lewis reported that all other changes reflected the carrying forward of changes made in FY2014 and maintaining previous growth rates.

FY 2015 Estimate Adopted:

A motion was made, seconded and approved to accept the Revenue Subcommittee's recommendation of \$3,774.8 million as the revenue estimate for FY2015.

The estimate represents an increase of \$5.7 million from the September estimate. Mr. Lewis noted that the adjusted growth rate is 4.0%.

For information purposes, Mr. Lewis said that the FY2016 revenue estimate is \$3,879.5 million, while the adjusted growth rate is 3.25%.

Balance and Appropriations Worksheet: Mr. Gregor presented the Balance and Appropriations worksheet. The result of this exercise is attached as Table 3.

Transportation Trust Fund (TTF)

TTF -- Expenditures: Mr. Motyl presented the Transportation Trust Fund's expenditure forecast.

State Operations Expenditure: The estimate was raised from \$342.5 million to \$344.5 million. Mr. Motyl explained that the higher Operations/Capital Outlay estimate was partially offset by a reduction in Personnel Costs estimate on the back of reduced overtime.

State Capital Expenditure: There was no change from September's estimate of \$191.7 million.

Federal Capital Expenditure: The estimate was reduced from \$305.3 million to \$270.0 million. Mr. Motyl explained that the decrease was due to delays of projects that are 100% federal spend, as well as delays of some state projects.

GARVEE – US301 Capital Expenditure: There was no change from the September estimate of \$28.2 million.

A motion was made, seconded, and approved to accept \$834.4 million as the FY2014 TTF expenditure estimate. The estimate represents a decrease of \$33.3 million from September's estimate (See Table 4).

TTF -- Revenues: Mr. Motyl presented the Transportation Trust Fund's revenue forecast.

FY2014 Estimates:

Toll Road Revenues: There was no change from September's estimate of \$169.5 million.

Motor Fuel Tax Administration: There was no change from September's estimate of \$114.1 million.

Division of Motor Vehicles: Increased from \$156.6 million to \$160.8 million. Mr. Motyl explained that the increase in the estimate is due to a rise in Motor Vehicle Document Fees on the back of strong vehicle sales.

Other Transportation Revenue: There was no change from September's estimate of \$13.8 million.

A motion was made, seconded, and approved to accept \$458.2 million as the FY2014 TTF revenue estimate. The estimate represents an increase of \$4.2 million from September's estimate.

FY2015 Estimates:

The following changes were made from the September estimate.

Toll Road Revenues: There was no change from September's estimate of \$172.5 million.

Motor Fuel Tax Administration: There was no change from September's estimate of \$113.2 million.

Division of Motor Vehicles: Increased from \$161.4 million to \$165.7 million.

Other Transportation Revenue: There was no change from September's estimate of \$14.4 million.

A motion was made, seconded, and approved to accept \$465.8 million as the FY2015 TTF revenue estimate. The estimate represents an increase of \$4.3 million from the September estimate (See Table 5).

Other Business:

FY2015 Debt Limit: Mr. Gregor presented the projection of the State's new tax-supported debt authorization for FY2015. Five percent of the FY2015 revenue estimate is \$188.7 million.

Fiscal Notebook and Tax Preference Report: Mr. Gregor noted that the most recent editions of both the Delaware Fiscal Notebook and Tax Preference Report can be accessed at the Department of Finance webpage.

http://finance.delaware.gov/publications/fiscal_notebook_13/front/5_6.shtml

<http://finance.delaware.gov/publications/taxpref.shtml>

Mr. Martin announced the next scheduled DEFAC meeting dates:

- March 17, 2014
- April 21, 2014

There being no further business, Mr. Martin adjourned the meeting at 3:47 p.m.

Respectfully submitted,

Arsene Aka

Table 1a.

DEFAC Expenditures Forecast for General Fund Disbursements FY2013 (\$ in millions)												
December 2013 (as of 12/16/13) DRAFT												
	FY2009	FY2010	FY2011	FY2012	FY2013							
	Actual	Actual	Actual	Actual	Actual							
Budget Act	3,362.9	3,091.5	3,305.3	3,508.6	3,586.8							
Cash to Bond Bill	83.4	0.0	91.0	115.3	53.4							
Grant-in-Aid	45.2	35.4	35.2	41.2	44.2							
Continuing & Encumbered (from prior years)	234.8	183.7	184.9	303.7	301.1							
Supplementals	0.0	0.0	0.0	0.0	0.0							
Fiscal Year Spending Authority	3,726.3	3,310.6	3,616.4	3,968.8	3,985.5							4,100.2
LESS:												
Reversions to the General Fund	247.0	49.3	42.1	75.3	50.5							
Encumbered to next fiscal year	36.3	37.7	35.2	39.3	35.6							
Continuing to next fiscal year												
Operating Budget												
Bond Bill												
Total Continuing	147.4	147.2	268.4	261.8	240.9							
Subtotal	430.7	234.1	345.7	376.4	327.0							
Fiscal Year Budgetary Expenditures	3,295.5	3,076.5	3,270.7	3,592.4	3,658.5							
% increase/(decrease)		-6.65%	6.31%	9.84%	1.84%							
Comments:												
Expenditures / Spending Authority	FY2009 88.4%	FY2010 92.9%	FY2011 90.4%	FY2012 90.5%	FY2013 91.8%					5-Yr Avg 90.8%		FY 2013 92.5%
Reversions / Spending Authority	6.6%	1.5%	1.2%	1.9%	1.3%					2.5%		1.2%
Encumbered / Spending Authority	1.0%	1.1%	1.0%	1.0%	0.9%					1.0%		0.8%
Total Continuing / Spending Authority	4.0%	4.4%	7.4%	6.6%	6.0%					5.7%		5.4%

Recommended by Expenditures Subcommittee;
December 16, 2013

Table 1b.

DEFAC Expenditures Forecast for General Fund Disbursements FY2014 (\$ in millions)												
December 2013 (as of 12/16/13) DRAFT												
	FY2010	FY2011	FY2012	FY2013	Sep	Dec	Difference	FY2014 YTD	% spent	% forecast	% of	% of
	Actual	Actual	Actual	Actual	FY2014 Forecast	FY2014 Forecast	14 vs. '13	(actual 11/30/13)	FY2014 YTD	FY2014 total	FY2013 total	FY2012 total
Salaries	1154.7	1200.1	1,277.4	1,285.6	1,313.6	1,313.6	28.0	573.8	33.1%	34.6%	35.1%	35.6%
Fringe Benefits	330.9	365.4	379.5	379.0	395.8	395.8	16.8	167.9	9.7%	10.4%	10.4%	10.6%
Health Care	218.9	253.0	260.6	261.7	277.1	277.1	15.4	115.9	6.7%	7.3%	7.2%	7.3%
Other	112.0	112.4	118.9	117.3	118.7	118.7	1.4	52.0	3.0%	3.1%	3.2%	3.3%
Pension	196.7	222.2	252.9	271.9	281.6	281.6	9.7	126.4	7.3%	7.4%	7.4%	7.0%
Debt Service	174.3	169.5	144.4	144.8	157.9	157.9	13.1	96.7	5.6%	4.2%	4.0%	4.0%
Grants	276.6	327.3	364.0	372.8	377.7	377.7	4.9	205.8	11.9%	10.0%	10.2%	10.1%
Medicaid	428.6	466.2	637.3	637.0	675.7	672.8	35.8	309.8	17.9%	17.7%	17.4%	17.7%
Contractual Services	435.7	434.5	455.1	484.0	521.5	511.0	27.0	212.4	12.3%	13.5%	13.2%	12.7%
Supplies & Materials	58.9	59.1	65.5	63.7	63.9	63.9	0.2	33.5	1.9%	1.7%	1.7%	1.8%
Capital Outlay	20.1	26.4	16.3	19.6	20.2	20.2	0.6	7.1	0.4%	0.5%	0.5%	0.5%
FY Budgetary Expenditures	3,076.5	3,270.7	3,592.4	3,658.5	3,807.9	3,794.5	136.0	1,733.4	100.0%	100.0%	100.0%	100.0%
Comments:												

DEFAC General Fund Revenue Worksheet

December-13 DEFAC Meeting	FY 2013			FY 2014				FY 2015			
	A Actual Collections	B DEFAC Sep-13	C % B over A	D DEFAC Dec-13	E % D over A	F \$ Increase D over B	G DEFAC Sep-13	H % G over B	I DEFAC Dec-13	J % I over D	K \$ Increase I over G
Revenue Category											
Personal Income Tax	1,318.9	1,368.7	3.8%	1,372.7	4.1%	4.0	1,430.4	4.5%	1,434.4	4.5%	4.0
Less: Refunds	(179.1)	(196.2)	9.5%	(200.2)	11.8%	(4.0)	(206.0)	5.0%	(210.0)	4.9%	(4.0)
PIT Less Refunds	1,139.8	1,172.5	2.9%	1,172.5	2.9%	0.0	1,224.4	4.4%	1,224.4	4.4%	0.0
Franchise Tax	605.6	599.5	-1.0%	608.6	0.5%	9.1	593.5	-1.0%	602.5	-1.0%	9.0
Limited Partnerships & LLC's	179.9	188.9	5.0%	190.3	5.8%	1.4	198.4	5.0%	199.9	5.0%	1.5
Subtotal Franchise + LP/LLC	785.5	788.4	0.4%	798.9	1.7%	10.5	791.9	0.4%	802.4	0.4%	10.5
Less: Refunds	(8.7)	(11.0)	25.8%	(10.0)	14.4%	1.0	(11.0)	0.0%	(10.0)	0.0%	1.0
Net Franchise + LP/LLC	776.7	777.4	0.1%	788.9	1.6%	11.5	780.9	0.5%	792.4	0.4%	11.5
Business Entity Fees	89.8	92.5	3.0%	94.3	5.0%	1.8	95.3	3.0%	97.1	3.0%	1.8
Uniform Commercial Code	16.9	17.2	1.6%	17.4	2.8%	0.2	17.6	2.3%	17.8	2.3%	0.2
Corporation Income Tax	205.7	249.0	21.1%	239.0	16.2%	(10.0)	208.2	-16.4%	198.2	-17.1%	(10.0)
Less: Refunds	(17.8)	(45.6)	156.5%	(45.6)	156.5%	0.0	(42.6)	-6.6%	(42.6)	-6.6%	0.0
CIT Less Refunds	187.9	203.4	8.2%	193.4	2.9%	(10.0)	165.6	-18.6%	155.6	-19.5%	(10.0)
Bank Franchise Tax	103.5	103.9	0.4%	102.7	-0.8%	(1.2)	109.5	5.4%	109.5	6.6%	0.0
Gross Receipts Tax	226.3	233.6	3.2%	232.0	2.5%	(1.6)	238.2	2.0%	236.6	2.0%	(1.6)
Lottery	235.3	227.1	-3.5%	224.1	-4.8%	(3.0)	227.8	0.3%	224.8	0.3%	(3.0)
Abandoned Property	566.5	514.0	-9.3%	514.0	-9.3%	0.0	514.0	0.0%	514.0	0.0%	0.0
Hospital Board and Treatment	59.7	47.5	-20.4%	47.5	-20.4%	0.0	47.9	0.8%	47.9	0.8%	0.0
Dividends and Interest	6.3	7.6	21.0%	7.6	21.0%	0.0	9.5	25.0%	9.5	25.0%	0.0
Realty Transfer Tax	42.3	58.3	38.0%	63.0	49.1%	4.7	54.8	-6.0%	61.0	-3.2%	6.2
Estate Tax	5.3	12.0	126.5%	12.0	126.5%	0.0	12.0	0.0%	12.0	0.0%	0.0
Insurance Taxes	53.9	54.3	0.7%	54.3	0.7%	0.0	56.6	4.2%	56.6	4.2%	0.0
Public Utility Tax	44.5	47.0	5.7%	47.0	5.7%	0.0	47.0	0.0%	47.0	0.0%	0.0
Cigarette Taxes	115.2	112.0	-2.8%	112.5	-2.3%	0.5	109.8	-2.0%	109.8	-2.4%	0.0
Other Revenues	89.6	91.9	2.5%	92.4	3.1%	0.5	98.1	6.7%	98.7	6.8%	0.6
Less: Other Refunds	(29.8)	(39.8)	33.7%	(45.8)	53.9%	(6.0)	(39.9)	0.3%	(39.9)	-12.9%	0.0
Net Receipts	3,729.8	3,732.4	0.1%	3,729.8	0.0%	(2.6)	3,769.1	1.0%	3,774.8	1.2%	5.7

Adjusted Growth Rate

0.50%

4.00%

FY 2015 Debt Limit:

\$188.740

Table 2.
DEFAC General Fund Revenue Worksheet

Revenue Category	FY 2016				
	L DEFAC Sep-13	M % L over G	N DEFAC Dec-13	O % N over I	P \$ Increase N over L
December-13 DEFAC Meeting					
Personal Income Tax	1,498.7	4.8%	1,503.0	4.8%	4.3
Less: Refunds	(219.4)	6.5%	(223.7)	6.5%	(4.3)
PIT Less Refunds	1,279.3	4.5%	1,279.3	4.5%	0.0
Franchise Tax	593.5	0.0%	602.5	0.0%	9.0
Limited Partnerships & LLC's	208.3	5.0%	209.8	5.0%	1.5
Subtotal Franchise + LP/LLC	801.8	1.3%	812.3	1.2%	10.5
Less: Refunds	(11.0)	0.0%	(10.0)	0.0%	1.0
Net Franchise + LP/LLC	790.8	1.3%	802.3	1.2%	11.5
Business Entity Fees	98.1	2.9%	100.0	3.0%	1.9
Uniform Commercial Code	17.9	1.7%	18.1	1.7%	0.2
Corporation Income Tax	212.4	2.0%	202.2	2.0%	(10.2)
Less: Refunds	(42.6)	0.0%	(42.6)	0.0%	0.0
CIT Less Refunds	169.8	2.5%	159.6	2.6%	(10.2)
Bank Franchise Tax	115.1	5.1%	115.1	5.1%	0.0
Gross Receipts Tax	249.6	4.8%	247.9	4.8%	(1.7)
Lottery	233.5	2.5%	230.4	2.5%	(3.1)
Abandoned Property	514.0	0.0%	514.0	0.0%	0.0
Hospital Board and Treatment	46.8	-2.3%	46.8	-2.3%	0.0
Dividends and Interest	11.9	25.3%	11.9	25.3%	0.0
Realty Transfer Tax	60.3	10.0%	66.0	8.2%	5.7
Estate Tax	12.0	0.0%	12.0	0.0%	0.0
Insurance Taxes	63.0	11.3%	63.0	11.3%	0.0
Public Utility Tax	48.7	3.6%	48.7	3.6%	0.0
Cigarette Taxes	107.6	-2.0%	107.6	-2.0%	0.0
Other Revenues	96.1	-2.0%	96.7	-2.0%	0.6
Less: Other Refunds	(39.9)	0.0%	(39.9)	0.0%	0.0
Net Receipts	3,874.6	2.8%	3,879.5	2.8%	4.9

Adjusted Growth Rate

3.25%

**Table 3.
Balance and Appropriations Worksheet**

FY 2014 EXPENDITURES		FY 2014 BALANCES		FY 2015 APPROPRIATION LIMITS	
Total Spending Authority	\$4,100.2	Total Expenditures	\$3,794.5	FY 2015 Revenue Estimate	\$3,774.8
Less: Continuing Appropriations & Encumbrances from FY 2014	(\$255.7)	vs. FY 2014 Revenues	3,729.8	Unencumbered Cash Balance from FY 14	\$113.8
Less: Reversions	<u>(\$50.0)</u>	Operating Balance	(64.7)	100% Appropriation Limit	\$3,888.6
Total Expenditures	<u>\$3,794.5</u>	Prior Year Cash Balance	<u>\$635.9</u>	98% Appropriation Limit	<u>\$3,810.8</u>
		Cumulative Cash Balance	571.2	Prior 98% Appropriation Limit	\$3,768.6
		Less: Continuing Appropriations & Encumbrances from FY 2014	(255.7)	Increase (Decrease) from Prior Meeting	\$42.2
		Less: Budgetary Reserve Account	<u>(\$201.7)</u>	Sept. 2013 98% Appropriation Limit	\$3,768.6
		Unencumbered Cash Balance 6/30	<u>\$113.8</u>	Increase (Decrease) from September 2013	\$42.2

Table 4.

Delaware Department of Transportation										42%
FY 2014 Expenditures, Thru November 30, 2013										
	FY2012 Actual	FY2013 Actual	FY2014 Appropriation	SEPTEMBER FY2014 Forecast	DECEMBER FY2014 Forecast	\$ difference	\$ difference Forecast V. FY2013 Actual	FY2014 YTD Spend	% spent YTD	
<u>Operations</u>										
Debt Service	123.8	123.5	112.3	112.3	112.3	0.0	(11.2)	91.7	81.7%	
Personnel Costs	88.1	86.5	89.1	89.1	87.7	(1.4)	1.2	36.8	42.0%	
Operations/Capital Outlay	53.2	56.9	57.2	57.2	60.6	3.4	3.7	20.6	34.0%	
Transit Operations (DTC)	77.5	83.0	83.9	83.9	83.9	0.0	0.9	34.9	41.6%	
Total Expenditures - Operations	342.6	349.9	342.5	342.5	344.5	2.0	(5.4)	184.0	53.4%	
<u>Capital (State)</u>			<u>CTP Spend</u>							
Road System	144.7	134.6	108.2	108.2	108.2	0.0	(26.4)	41.9	38.7%	
Grants & Allocations	15.8	20.9	21.8	21.8	21.8	0.0	0.9	8.3	38.1%	
Support Systems	25.2	27.0	46.5	46.5	46.5	0.0	19.5	8.5	18.3%	
Transit	5.8	5.5	15.2	15.2	15.2	0.0	9.7	2.1	13.8%	
Total Expenditures- State Capital	191.5	188.0	191.7	191.7	191.7	0.0	3.7	60.8	31.7%	
<u>Capital (Federal)</u>			<u>CTP Spend</u>							
Federal Capital	213.2	214.5	347.8	305.3	270.0	(35.3)	55.5	83.1	30.8%	
<u>Capital (GARVEE)</u>			<u>CTP Spend</u>							
GARVEE - US301	35.7	26.9	28.2	28.2	28.2	0.0	1.3	2.9	10.3%	
Total Expenditures - Capital	440.4	429.4	567.7	525.2	489.9	(35.3)	60.5	146.8	30.0%	
TOTAL EXPENDITURES	783.0	779.3	910.2	867.7	834.4	(33.3)	55.1	330.8	39.6%	

Table 5.

DELAWARE DEPARTMENT OF TRANSPORTATION Transportation Trust Fund Revenues									
	FY 12	FY 13	% Chg.	Fiscal 2014			Fiscal 2015		
				9/16/2013 Approved	12/16/2013 Recomm	% Chg. FY 13	9/16/2013 Approved	12/16/2013 Recomm	% Chg. FY 14
<u>TOLL ROAD REVENUES:</u>									
I95 Newark Plaza	\$115.3	\$117.4	1.8%	\$119.5	\$119.5	1.5%	\$121.8	\$121.8	1.9%
Route 1 Toll Road	44.9	46.2	2.9%	\$47.5	\$47.5	2.8%	\$48.1	\$48.1	1.3%
Concessions	<u>1.8</u>	<u>2.4</u>	<u>33.3%</u>	<u>\$2.5</u>	<u>\$2.5</u>	<u>5.2%</u>	<u>\$2.6</u>	<u>\$2.6</u>	<u>4.0%</u>
Total Toll Road Revenues	162.0	166.0	2.5%	\$169.5	\$169.5	2.1%	\$172.5	\$172.5	1.8%
<u>MOTOR FUEL TAX ADMIN.</u>									
	115.9	115.0	(0.8%)	\$114.1	\$114.1	(0.8%)	\$113.2	\$113.2	(0.8%)
<u>DIVISION OF MOTOR VEHICLES</u>									
Motor Vehicle Document Fees	71.1	77.6	9.1%	\$81.5	\$85.7	10.5%	\$84.0	\$88.3	3.0%
Motor Vehicle Registration Fees	46.6	47.6	2.1%	\$48.5	\$48.5	2.0%	\$50.0	\$50.0	3.1%
Other DMV Revenues	<u>25.0</u>	<u>25.5</u>	<u>1.8%</u>	<u>\$26.6</u>	<u>\$26.6</u>	<u>4.5%</u>	<u>\$27.4</u>	<u>\$27.4</u>	<u>3.0%</u>
Total DMV Revenues	142.7	150.6	5.5%	\$156.6	\$160.8	6.8%	\$161.4	\$165.7	3.0%
<u>OTHER TRANSPORTATION REV.</u>									
Other Transportation Rev	11.3	11.3	(0.3%)	\$11.3	\$11.3	1.3%	\$11.4	\$11.4	0.9%
Investment Income(Net)	<u>3.2</u>	<u>2.2</u>	<u>(30.6%)</u>	<u>\$2.5</u>	<u>\$2.5</u>	<u>12.6%</u>	<u>\$3.0</u>	<u>\$3.0</u>	<u>20.0%</u>
Total Other Transp. Revenue	14.5	13.5	(7.0%)	\$13.8	\$13.8	2.3%	\$14.4	\$14.4	4.3%
GRAND TOTAL	\$435.1	\$445.1	2.3%	\$454.0	\$458.2	2.9%	\$461.5	\$465.8	1.7%
									\$4.3